

Fee for Service Rate Methodology Workgroup

MEETING NOTES

Date: June 20, 2006 (Tuesday)
Time: 1:00 p.m. – 3:00 p.m.
Where: Capitol Common - Conference Room E
400 S. Pine
Lansing, MI 48933
Attendees: Lynn Borck, Michael DeVault, Bruce Elkins, Bud Ferguson, Toni Hornberger, Sean Huse, Ed Kemp, Tom Koepke, Terry Latimer, Maryann Lorkowski, Deb Marshall, Kathy Merry, Pam O'Farrell, Susan Powell, Jane Reagan, Michelle Simmons, Linda Sowle, Dave Stirdivant, Toni Sturgis
Handouts: Transportation Methodology
Draft Coverage Language
Attorney General Provider Equivalency
PERM (Payment Error Rate Measurement) Program Bulletin

Highlighted areas are tasks to be completed prior to next meeting.

- **Documentation Under the New Methodology**
 - Documentation requirements are the same under the new reimbursement methodology
 - Begin and end times may be needed for all services if the methodology is approved. We will wait to make any decision on this until we hear more on the approval of the methodology.
 - Documentation requirements can be met via several mechanisms:
 - The ISD/Medicaid Provider may maintain documentation with staff and resources at the ISD
 - The ISD/Medicaid Provider may purchase a software to do documentation
 - The ISD/Medicaid Provider may hire a vendor to support their documentation needs
- **Coverage Draft Language**
 - Under EPSDT the following changes will have to be made to our current scope of coverage:
 - All service coverage will end at age 21.
 - TCM and Transportation will also be up to age 21 only.
 - Michigan will no longer have coverage for those Special Education children age 21-26.
 - Until we submit a formal State Plan Amendment all coverage and reimbursement language is still in the informal comment process.
 - Under EPSDT the following changes will have to be made to our current scope of coverage:
 - All service coverage will end at age 21.
 - TCM and Transportation will also be up to age 21 only.
 - Michigan will no longer have coverage for those Special Education children age 21-26.
 - **Comments on the draft language due to MDCH by June 27, 2006**
- **Eligibility Verification Process**
 - The process for verifying Medicaid eligibility for billing is still an open issue.
 - Prior to any eligibility verification process being implemented the FERPA compliance issue on the ISD side will have to be resolved.
 - It was proposed that MPHI (Michigan Public Health Institute) could possibly do the eligibility process. After discussion with MPHI staff it was found that the algorithm used by the schools to check based on only name and birth date may be too costly for MPHI to develop a process to do.
 - **MPHI has verified that they will develop an algorithm to check SBS eligibility and begin testing the first week of August, 2006. Jackson ISD will be the pilot ISD.**

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➤ **National Provider Identifier Update**

- ISDs/Medicaid Providers have begun to apply for their NPIs
- The ISD is the enrolled Medicaid provider thus must apply for an NPI. It is up to the ISD if they wish to require all of their clinicians to obtain an NPI. This is consistent with how all other states are doing the application process.
- A taxonomy code must be entered on the NPI application. Since there is not one for ISDs use the LEA taxonomy code of 251300000X

➤ **Non-ICR Administrative Costs**

- CMS has repeatedly denied inclusion of these costs in the reimbursement formula. We will not be pursuing the inclusion of these costs any further. The costs will be omitted from the formula.

➤ **Lifting the Cap on the Cognizant Agency ICR**

- The committee headed by Elaine Madigan has recommended the cap be lifted to State Superintendent Flannigan.
- Next a letter must go to US DOE recommending the change and asking for approval. Jane thinks it has a good chance of getting approved.
- Jane and Kathy Merry will follow up on this issue. Once an update is received it will be sent to the workgroup.

➤ **FERPA**

- For the purpose of the workgroup agenda the FERPA issue is closed.
- MDCH is compliant with the HIPPA privacy regulations but MDE and the ISDs must determine if they are compliant with the FERPA regulation and if not how to deal with it.
- Jane has put it on the MDE Attorney Generals to do list.

➤ **Transportation Methodology Final Copy**

- The methodology was sent to CMS Local Office on 6/13/06. Julie will review and forward to Central Office.

➤ **Provider Equivalency Final Copy**

- The letter to the Attorney General Cox requesting provider equivalency rulings for Teacher Consultants, Teachers of Students with Speech and Language Impairments, Teachers of Students with Physical and Other Impairments and Orientation and Mobility Specialists is finalized and in the signature process. It should be sent to the AGs later this week.
- CMS has indicated that they may have a change of interpretation of what providers would qualify for equivalency rulings. They are now saying that unless it mentions in federal regulation "or equivalent", an equivalency ruling would not be allowable. This is not what was documented when CMS first requested the ruling and we will proceed with the equivalency document as it is.
- Sent to the Attorney General 6/26/06.

➤ **PCG Contract Status**

- The PCG contract amendment has ended as of 6/30/06.
- PCG has agreed to provide ongoing technical assistance through 9/30/06, attend one more workgroup meeting in September, and participate via conference call through 9/30/06.
- If the State Plan amendment submission is extended past 9/30/06 then PCG would want to discuss an additional contract amendment, cost and scope of work.

➤ **Next Steps/Open Issues**

- CMS decision on reimbursement methodology
- Compile comments on coverage SPA language and send to Julie for comment
- Prepare a draft of the reimbursement SPA language for Julie's review
- Determine eligibility verification process.

➤ **Non Agenda Item Discussion**

- Oakland ISD has received the first PERM (Payment Error Rate Measurement) review.
- Pursuant to L Letter 06-09 the federal government has been mandated to review programs that are susceptible to significant erroneous payments (both under and overpayments) and report the improper payment estimates to Congress.

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- If one of the PERM reviews is received you have 90 days to respond. A copy of the L Letter was handed out to the workgroup participants.

➤ **Next Meetings:**

JULY AND AUGUST MEETINGS MAY BE CANCELLED IF THERE ARE NO NEW AGENDA ITEMS

- July 25, 2006 1:00-3:00 (TENTATIVE)
- August 22, 2006 1:00-3:00 (TENTATIVE)
- September 19, 2006 1:00-
- October 24, 2006 1:00-3:00
- November 28, 2006 1:00-3:00